

Understanding Your Water Rate



Regional Water Supply Service

Capital Regional District | 2026

Regional Water Supply Service

CRD Integrated Water Services operates the Regional Water Supply Service water supply areas and reservoirs, water treatment and transmission systems, and supplies drinking water to approximately 430,000 residents across the region through municipal or CRD water distribution systems.

The Regional Water Supply Service provides bulk water at a wholesale rate to water suppliers, which include municipalities, Juan de Fuca Water Distribution Service, Saanich Peninsula Water Service and First Nations. While the Regional Water Supply Service operates the larger transmission system, water suppliers operate water distribution systems that deliver water directly to homes and businesses across Greater Victoria.

What is the wholesale water rate?

The CRD charges a wholesale water rate to water suppliers that then set retail water rates; the prices residents pay for water.

The 2026 CRD Regional Water Supply wholesale water rate is \$0.93 per cubic metre, a 7.91% increase over the 2025 rate.

The average annual wholesale water cost for an average household on a CRD water system is currently around \$222, but actual amounts paid vary depending on municipal fees, usage rates, and the water system the property is connected to. Outdoor water use, such as irrigation, does significantly impact water consumption in the summer season.

How is the wholesale water rate calculated?

The wholesale water rate is based on the cost to run the Regional Water Supply Service, which includes watershed protection, drinking water treatment and transmission of water from the treatment plant to the distribution systems. Each year, the total amount needed to fund the service is divided by the estimated water demand. This ensures the rate covers the full cost of delivering the service.

What does it pay for?

The CRD's Regional Water Supply System is a large and complex asset that must be continually maintained, renewed, and expanded to ensure clean, reliable drinking water for the region's growing population. The system

Understanding Your Water Rate



Regional Water Supply Service

Capital Regional District | 2026

includes source water, treatment facilities, reservoirs, pump stations, transmission mains, and critical control systems, much of which was built decades ago and now requires significant reinvestment.

The entire cost of operating, maintaining, and renewing the Regional Water Supply System is funded through the sale of drinking water. These costs include day-to-day operations and maintenance, as well as long-term capital investments such as upgrades, repairs, and the replacement of aging infrastructure. They also include repaying debt from past major projects that continue to deliver value today.

Why did the Regional Water Supply wholesale water rate increase in 2026?

Operating costs are expected to rise 7.0 per cent next year. This increase reflects inflationary pressures related to labour, energy, chemicals, and regulatory compliance, as well as additional labour to support operating and capital initiatives that are described below.

The primary driver of the 2026 wholesale rate increase are capital investments in our infrastructure. In the 2026 to 2030 capital plan (5-Year Total approx. \$351 Million), capital initiatives of note include:

- Transmission main replacement and upgrade program, which includes replacement of sections of pipe that are aging or at higher risk of failure in the event of an earthquake. In addition, work includes the addition of redundancy to the system to ensure we maintain water service, even during unexpected events.
- Dam safety improvement projects to ensure the fifteen Regional Water supply dams continue to meet water storage needs and regulatory requirements, while maximizing public safety.
- Master Plan Implementation Projects includes system planning and design activities tied to the 30-year Regional Water Supply Master Plan. These initiatives strengthen the water treatment and transmission system and add redundancy to critical components.
- In 2025, the CRD purchased the [Kapoor lands](#), which form an important part of the watershed supply area. The purchase protects source water, maintains long-term water quality, and secures future supply capacity for the region. Beginning in 2026, the bulk water rate now includes debt servicing costs for this acquisition.

Reliable water service is essential to the region's health, economy, and emergency preparedness. As climate change brings more extreme weather, existing infrastructure ages and the population continues to grow, investment in system replacement, redundancy and seismic resilience becomes even more important. These projects help ensure that, even during unexpected events, water continues to flow to homes, hospitals, businesses, and critical services.